



MEMORANDUM

Agenda Item No. 7(0)(1)(A)

TO: Honorable Chairperson and Members
Board of County Commissioners

DATE: May 6, 2003

FROM: Steve Shiver
County Manager

SUBJECT: Administrative Order
Establishing Joint Purchase
User Access Rebate
Program

RECOMMENDATION

It is recommended that the Board approve the attached Administrative Order establishing procedures for the "User Access Rebate Program" (UARP).

BACKGROUND

The Department of Procurement Management (DPM) currently provides voluntary access to the use of County established contracts to 62 municipalities and/or quasi-governmental not-for-profit entities throughout the State of Florida. After careful review of the existing *Vendor Surcharge Fee Program*, staff is proposing a companion ordinance on today's agenda to amend Section 2-10.1 of the Code of Miami-Dade County, which stands to be repealed on April 21, 2003, to establish a new User Access Rebate Program.

The amended Administrative Order (A.O.) establishes the User Access Rebate Program as a two percent (2%) discount of the total invoice amount (excluding any additional freight charges) of all purchases made utilizing County established contracts. The AO requires the entity utilizing the contract to deduct two percent (2%) from all applicable vendor invoices and remit seventy-five percent (75%) of that rebate to DPM, while retaining twenty-five percent (25%) of the rebate for its own use. The AO authorizes the Department of Procurement Management to enter into Joint Purchase Agreements with other municipalities or quasi-governmental not-for-profit entities that access County contracts.

It is important to note that the provisions of the amended AO will be applied selectively and not to all contracts. The Administrative Order includes an "exceptions" section and three criteria for appropriate utilization of the program in the best interests of the County, primarily in relation to commodities frequently used by governmental entities. DPM routinely evaluates new contract specifications to determine whether to include the UARP provision.

The UARP will be administered as a 3-year pilot program. Annual reports regarding the effectiveness of the Program will be provided by DPM to the County Manager's Office. The Program will be administered by DPM utilizing the existing budgeted staffing level. Staff resources will be requested only if necessary and if it is determined that the Program generates a sufficient level of revenue to cover all expenses.

Staff intends to monitor the performance of the Program closely and may find merit in returning to the Board in the future with a proposal to extend application of the 2% User Access Rebate Program to all purchases, including those by County departments.

Attachment

1




MEMORANDUM

(Revised)

TO: Honorable Chairperson and Members
Board of County Commissioners

DATE: May 6, 2003

FROM: 
Robert A. Ginsburg
County Attorney

SUBJECT: Agenda Item No. 7(O)(1)(A)

Please note any items checked.

- ☐ "4-Day Rule" ("3-Day Rule" for committees) applicable if raised
- ☐ 6 weeks required between first reading and public hearing
- ☐ 4 weeks notification to municipal officials required prior to public hearing
- ☐ Decreases revenues or increases expenditures without balancing budget
- ☐ Budget required
- ☐ Statement of fiscal impact required
- ☐ Bid waiver requiring County Manager's written recommendation
- ☐ Ordinance creating a new board requires detailed County Manager's report for public hearing
- ☐ Housekeeping item (no policy decision required)
- ☐ No committee review

Approved _____ Mayor
Veto _____
Override _____

Agenda Item No. 7(O)(1)(A)
5-6-03

RESOLUTION NO. _____

RESOLUTION ESTABLISHING JOINT PURCHASE USER ACCESS REBATE PROGRAM FOR PROCUREMENT OF GOODS AND SERVICES; REVISING PROCEDURES FOR THE COLLECTION AND DISTRIBUTION OF REBATE REVENUE FROM ALL ENTITIES UTILIZING COUNTY ESTABLISHED CONTRACTS; ESTABLISHING JOINT PURCHASE AGREEMENTS; REVISING ADMINISTRATIVE ORDER 3-25

WHEREAS, this Board desires to accomplish the purposes outlined in the accompanying memorandum, a copy of which is incorporated herein by reference,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that establishing joint purchase user access rebate program for procurement of goods and services; revising procedures for the collection and distribution of rebate revenue from all entities utilizing county established contracts; establishing joint purchase agreements; revising administrative order 3-25.

The foregoing resolution was offered by Commissioner _____, who moved its adoption. The motion was seconded by Commissioner _____ and upon being put to a vote, the vote was as follows:

Bruno A. Barreiro
Jose "Pepe" Diaz
Sally A. Heyman
Jimmy L. Morales
Dorrin D. Rolle
Katy Sorenson

Dr. Barbara Carey-Shuler
Betty T. Ferguson
Joe A. Martinez
Dennis C. Moss
Natacha Seijas
Rebeca Sosa

Sen. Javier D. Souto


The Chairperson thereupon declared the resolution duly passed and adopted this 6th day of May, 2003. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF
COUNTY COMMISSIONERS

HARVEY RUVIN, CLERK

By: _____
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency.



Hugo Benitez



ADMINISTRATIVE ORDER

[[~~Surcharge Fee on Municipalities and Quasi-Governmental~~]] >>User Access Rebate Program for All<< Entities Utilizing Joint Purchase Provisions >>of County Contracts<< for the Purpose of Procuring Goods and Services

A.O. No.: 3-25

Ordered: 4/21/1998

Effective: 5/1/1998

AUTHORITY:

Section 4.02 of the Miami-Dade County >>Home Rule Amendment and<< Charter and Section 2-10.1 of the Code of Miami-Dade County.

>>SUPERSEDES:

This Administrative Order supersedes Administrative Order 3-25 ordered April 21, 1998 and effective May 1, 1998. <<

POLICY:

On an annual basis >><< the >>Department of<< Procurement Management >>(DPM)<< ~~[[Division of the General Services Administration Department,]]~~ will review all new and recurring County contracts for the appropriateness of delivering the same commodities and/or services to other municipalities >>and<< or quasi-governmental >>not-for-profit<< entities. Eligible contracts shall be designated ~~[[County Wide (CW) or State Wide (SW) contracts]]~~ and ~~[[a fee shall be imposed on the]]~~ >>appropriate language shall be inserted in<< affected contract >>those and purchase orders resulting therefrom ("Miami-Dade County UARP contracts")<<.

DEFINITIONS:

1. "County Manager" shall refer to the County Manager or designee.
2. "Joint Purchase Provision" shall refer to a provision in County contract documents that ~~[[County purchases]]~~ >>the terms, conditions and pricing<< shall be available to any >>participating<< ~~[[quasi-governmental]]~~ entity at the County contract price.
3. "County Purchases" shall refer to the County's purchase of commodities ~~[[,]]~~ >>and/or << services >>by County departments through a<< ~~[[, or both, by]]~~ competitive bidding >>or negotiated process<< ~~[[procedures]]~~.
4. ~~[["Quasi-Governmental]]~~ >>"Participating<< Entity" shall refer to any municipality or not-for-profit organization ~~[[located in the State of Florida]]~~ >>, except where prohibited by law <<.
5. "Director of ~~[[General Services Administration Department]]~~>>the Department of Procurement Management<<" shall refer to the Director or designee.
6. >>"Joint Purchase Agreement" shall refer to the agreement between Miami-Dade County and Participating Entity for the purpose of procuring goods and services.<<

PROCEDURE:

Criteria for >>DPM<< staff determining which contracts shall be ~~[[designated a CW or SW contract]]~~ >>eligible for inclusion in this program shall<< ~~[[should]]~~ include, but not be limited to, the following:

1. any contract previously designated ~~[[CW or SW]]~~>>for access by other entities<<;
2. any contract that another ~~[[municipality or quasi-governmental]]~~ >>Participating<< Entity has expressed an interest in accessing; and>>/or<<
3. any contract that is generic and can be utilized by ~~[[other municipalities or quasi-governmental]]~~ >>Participating E<< ~~[[e]]~~ntities.

>>EXCEPTIONS:

The provisions of this Administrative Order shall not apply to the following contracts:

- (a) IPSIG contracts;
- (b) Contracts for legal services;
- (c) Contracts for financial advisory services;
- (d) Auditing contracts;
- (e) Facility rentals and lease agreements;
- (f) Concessions and other rental agreements;
- (g) Insurance contracts;

- (h) Revenue-generating contracts;
- (i) Professional service agreements under one thousand dollars;
- (j) Management agreements;
- (k) Small purchase orders as defined by Administrative Order;
- (l) Federal, state and local government funded grants; and
- (m) Contracts where application of the User Access Rebate Program is deemed not in the best interest of the County.

USER ACCESS REBATE PROGRAM

The User Access Rebate Program shall be established as two percent (2%) of the total invoice value of any invoice resulting from Miami-Dade County UARP Contracts. Miami-Dade County UARP contracts may be accessed by Participating Entities that enter into a Joint Purchase Agreement with Miami-Dade County. Such agreements shall establish terms, conditions and exceptions.

[[SURCHARGE FEE]] >>REBATE<< COLLECTION:

~~[[The surcharge fee shall be established as two percent (2%) of the unit purchase price or total contract value.]]~~

>> After receipt of vendor invoice(s) for purchases made, the Participating Entity shall deduct the 2% rebate from all applicable vendor invoices upon payment and remit 75% of that rebate to the Miami-Dade County Department of Procurement Management. Miami-Dade County's Department of Procurement Management shall receive one and a half percent (1.5%) of the total invoiced amount when an entity purchases goods and/or services using a Miami-Dade County UARP Contract and the entity shall retain one half of one percent (.5%) or 25% of the deducted amount.<<

[[FEE COLLECTION:

~~[[After receipt of payment for purchases made by other municipalities or quasi-governmental entities, the applicable surcharge fee shall become payable to the Miami-Dade County General Services Administration Department by the contract vendor(s).]]~~

REPORTING:

>>Participating entities accessing Miami-Dade County UARP Contracts <<[[Vendors]] shall [[be required to]] furnish >>DPM<< [[detailed summary reports on a quarterly basis regardless of the value of sales during the quarter.]] >>a summary report of all affected contracts and invoices paid against such contracts on a quarterly basis.<<

ENFORCEMENT:

Failure to complete the Quarterly ~~[[Surcharge]]~~ Payment >>User Access Rebate Program << ~~[[R]]~~ >>~~r~~<<eports >>on a quarterly basis<< and >>~~to~~<< make applicable payments in a timely manner may result in cancellation of ~~[[the contract and a]]~~ >>access privileges.<<

AUDIT/REVIEW:

All ~~[[vendor]]~~ << reports and fees are subject to audit by the County or its duly authorized representatives or governmental agencies. ~~[[Vendors]]~~ >>Participating Entities accessing Miami-Dade County UARP Contracts<< shall be required to maintain an accounting system that provides for accounting records that are supported ~~[[with]]~~ >>by<<adequate documentation. Records shall be maintained for ~~[[five (5)]]~~ >>four (4)<<years after the year in which a report is issued.

APPROPRIATION:

The County Manager, or designee, shall be responsible for the appropriation of revenue received. These revenues shall provide additional funding to partially support the cost of operating the County's procurement function >> and any other usage deemed appropriate by the County Manager <<.

This administrative order is hereby submitted to the Board of County Commissioners of Miami-Dade County, Florida

M.R. Stierheim Steve Shiver
County Manager

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